

(c) if not, which schedule will be used, giving the details thereof?

**THE MINISTER OF RURAL DEVELOPMENT (SHRI RAGHUVANSH PRASAD SINGH):** (a) to (c) The Minister of Rural Development provides financial and technical assistance to the States and UTs to conduct a Below Poverty Line (BPL) Census to identify the poor households living in the rural areas who could be assisted under various programmes of the Ministry. The Ministry had issued guidelines for conducting the BPL Census 2002. However, its results could not be finalized because of the stay order passed by the Hon'ble Supreme Court in WP(C) No. 196/2001 in the matter of PUCL V/s Union of India. The Hon'ble Supreme Court vacated the stay on 14.2.2006. Subsequently, the Ministry has issued guidelines to States and UTs to place the draft BPL list before the gram sabha. A two-stage appeal mechanism has been introduced. Any person who objects to his ranking in the list, can file an appeal with the Tehsildar/SDM and Collector as the case may be. States have also been advised that after completion of this process, the final BPL list should be displayed on their website. It may also be printed and kept in the form of a booklet at the Panchayat Headquarters. On the basis of the ranking of the BPL families, a Permanent Waitlist is also to be prepared for allotment of houses under Indira Awaas Yojana (IAY) and this list is to be painted on the wall of the Panchayat Headquarters in the order of priority for the purpose of bringing more transparency. Under these guidelines, a provision has also been made to allow new names to be added and ineligible names deleted from the BPL List on a continuous basis during the period to which the list applies.

The decision to conduct the new BPL survey in 2007 will be taken in consultation with the State Governments after the results of BPL Census 2002 are finalized.

#### **Loss to diamond exports**

**\*117. SHRI MAHENDRA MOHAN:** Will the Minister of COMMERCE and INDUSTRY be pleased to state:

(a) what has been the extent of loss to diamond export, during the last eight months;

(b) besides the recent floods in Surat, what are the other factors contributing to the loss in the export of diamonds; and

(c) what steps are being undertaken by Government to arrest the losses, and to boost the diamond industry?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) As per latest available figures, the export of cut and polished diamonds from the country during the period April-June, 2006-07 stood at US \$2278.24 Million which represents a decline of 16.39% over the corresponding period in 2005-06.

(b) As per available information, the decline in diamond export is owing to the reduction in trading activities in diamonds from Bonded Warehouses.

(c) A Statement is enclosed.

### **Statement**

#### ***"Loss to Diamond Exports"***

Export of Gems and Jewellery, which also included cut and polished diamonds, has been identified as a thrust sector in the Foreign Trade Policy effective from 1st September, 2004. In the Foreign Trade Policy updated as on 7th April, 2006, following facilities have been extended to this sector:

- (i) Import of gold of 8k and above has been allowed under the replenishment scheme subject to the import being accompanied by an Assay Certificate specifying the purity, weight and alloy content.
- (ii) Duty Free import entitlement of consumables for metals other than Gold, Platinum to be 2% of FOB value of exports during the previous financial year.
- (iii) Duty free import entitlement of commercial samples to be Rs. 3000.000.
- (iv) Duty free import entitlement for rejected jewellery to be 2% of the FOB value of exports.
- (v) Cutting and polishing of gems and jewellery to be treated as manufacturing for the purposes of exemption under Section 10A of the Income Tax Act.
- (vi) Import of precious metal scrap/used jewellery has been allowed for melting, refining and re-export of jewellery. However, such import will not be allowed through hand baggage.

- (vii) Gem & jewellery exporters have been allowed to export jewellery on consignment basis as per Rules.
- (viii) Gem & Jewellery exporters have been allowed to export cut and polished precious and semi-precious stones for treatment and re-import as per Rules.
- (ix) Value addition norms for different categories of gems and jewellery products have been reduced.

#### **Reduction in transaction costs for exports**

**\*118 SHRI RAJEEV SHUKLA:** Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether it is a fact that Indian exporters have to incur huge transaction costs to transport their products in foreign markets, compared to exporters from other countries;
- (b) if so, whether Government have taken any steps to reduce the transaction costs and to simplify the procedures, in order to make our exporters more competitive;
- (c) if so, the details thereof; and
- (d) if not, the reasons therefor?

**THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH):** (a) to (d) Indian exporters may have to incur higher transaction costs as compared to other developed countries.

Government has taken several steps to reduce the transaction costs and to simplify the procedures. It is a continuous and ongoing exercise. To make the Export Promotion schemes user friendly, major simplification of procedures has been introduced. To that end, a single application form covering all Export Promotion Schemes has been introduced, thereby enabling filing of applications on EDI mode. This has significantly reduced filing of multiple documents. Online exchange of data with the Department of Customs, remittance of application fees